GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:864
ANSWERED ON:19.07.2002
RECOVERY OF DEBT
A. VENKATESH NAIK;ADHIR RANJAN CHOWDHURY;KINJARAPU YERRANNAIDU;PRABODH PANDA;SHYAMA SINGH;SUNIL KHAN;SURESH RAMRAO JADHAV (PATIL);VIJAY KUMAR KHANDELWAL;YEMPARALA VENKATESWARA RAO

Will the Minister of FINANCE be pleased to state:

(a) whether large industrial houses are mainly responsible for sizable NPAs in the country;

(b) if so, the facts thereof;

(c) the names of the industrial houses against whom cases have been filed by the public sector banks in various courts and DRTs for realization of those loans;

(d) the number of such cases pending in courts and DRTs at present; and

(e) the concrete plans formulated to recover such NPAs from industrial houses ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANT G. GEETE)

(a)&(b):- The break-up of gross NPAs as on 31st March, 2001 indicates that there are 52 cases of NPAs of Rs. 50 crores and above involving Rs. 3,699.03 crores out of total NPAs of Rs. 54,773.16 crores thereby accounting for 6.75% of total gross NPAs of Public Sector Banks.

(c):- Reserve Bank of India publishes a list of suit filed cases (including decreed) accounts with aggregate outstanding of rupees one crore and above on annual basis. RBI also publishes a list of cases of wilful default against which Banks and FIs have filed suits for recovery of funds (Rs. 25 lakhs and above) on quarterly basis. Both these lists are available on RBI`s website www.rbi.org.in (publication).

(d):- As on 31st March, 2002, 31,401 cases were pending with Debts Recovery Tribunals (DRTs). The DRTs have so far adjudicated 12,575 cases with amount involved of Rs. 8559.93 crores. Out of this, the amount of Rs. 2,603.33 crore have been recovered.

(e):- Government of India and Reserve Bank of India (RBI) have advised the banks and financial institutions to take several steps for recovery of their dues such as evolving and implementation of recovery policy by banks, compromise settlement through Settlement Advisory Committees, filing of suits with Civil Courts, Debt Recovery Tribunal (DRTs) and compromise settlement through Lok Adalat. RBI had also introduced non-discretionary and non-discriminatory One Time Settlement Scheme for NPAs upto Rs. 5 crore. Further to facilitate foreclosures and enforcement of securities in cases of default and to enable the banks and financial institutions to realize their dues, recently `The Securitisation and Reconstruction of Financial Assets and enforcement of Security Interest Ordinance, 2002` has been promulgated.